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# Jamaican Economy Review 1984

*PREPARED AND PUBLISHED BY*

**THE PRIVATE SECTOR ORGANISATION OF JAMAICA**

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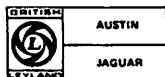
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# FROM THE PRESIDENT

---

IT GIVES ME great pleasure to introduce this the PSOJ's annual Economic Review to our members and the general public.

For me, this publication represents more than just the culmination of an idea or concept. It represents the adulthood, the maturity, if you like, of the PSOJ, from its genesis as a pressure group with limited specific objectives, to a national umbrella organisation representing the views and interests of the broad private sector.

This publication, and the PSOJ's internal structure which provides the capability, represent the coming of age, because in today's complex society, information and professional analysis of its implications, are the emerging tools that make the difference between success and failure. This therefore, reinforces the need for your continued support of this independent capability which seeks to produce a private sector perspective on economic issues which are of major national development.

It is expected that you will find this publication of benefit to your activity and that it will inspire interest in future publications.



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# PREFACE

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This is the first annual review of the Jamaican economy, for the calendar year 1984, conducted by the PSOJ's Economics and Research Division. The Economics and Research Division, after its establishment in late 1984, started a monthly Economic Bulletin in which the major economic indicators were analysed from the perception of, and the impact on, the private sector. It was the constructive response to these publications that encouraged us to prepare this annual review. There is no attempt at argumentation or subjective analysis; thus all our interpretations are supported by statistical tables and appendices.

The main economic indicators reviewed are external trade, tourism, balance of payments, prices, money and credit, interest rates and employment. Also included is a detailed statistical appendix. Normally a chapter on production would be included; however, the diversity of data from the various government agencies has been so wide that a decision to exclude this section was made.

The lateness in the review is also related to the unavailability of data, no doubt caused by the ending of the calendar and fiscal years and their implications for the IMF Agreement.

It is important that this review is seen as complementing existing publications by the Bank of Jamaica, Statistical Institute of Jamaica and the Planning Institute of Jamaica, because the PSOJ does not have the human resources available to these organizations to conduct the primary data gathering which is such a vital function of this kind of exercise. In this respect, I would like to take this opportunity to express our deep appreciation to the above-mentioned public agencies whose co-operation, advice and patience have been instrumental in our various economic publications. Special mention must be made of the contribution of Dr. Lawrence Mansfield, Economic Consultant — PSOJ, whose initiative and concept started these publications, and Mr. Kenneth Thompson and Miss Maureen Hayden — staff economists of the PSOJ.

It is hoped that this, and subsequent PSOJ publications will contribute to inform public debate on some of the vexed economic crises facing the nation, and in this regard, your comments are invited.

Delroy F. Lindsay  
Director, Economics and Research Division

April 1985



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# 1. OVERVIEW

## THE ECONOMY IN 1984

### SUMMARY

Altogether, not a vintage year. Bauxite and alumina exports tailed off in the last quarter in anticipation of the closure of Alcoa in early 1985, prices rose by 31 percent, interest rates reached new highs in response to severe credit restrictions, and the external value of the currency decreased by one third.

Nevertheless, all was not gloom and doom. There was a record number of tourist arrivals, exports of miscellaneous manufactured goods to hard currency markets increased by a very large percentage, and there was a surplus in the balance of payments — although this was mainly the result of large foreign borrowings.

### ECONOMIC INDICATORS, 1984

	1983	1984	Percentage Charge
Balance on mdse. trade (US\$ millions)	- 595.4	- 450.1	24.4
Balance of payments (US\$ mns.) (+ = decrease in net liabilities to foreigners)	- 289.2	+ 224.3	
Treasury bill interest rate (Dec.)	12.11	16.40	+ 35.4
Money supply ("M1", Dec., J\$ mns.)	884.3	1,012.4	+ 14.5
Consumer price index (December)	415.3	544.7	+ 31.2
Tourist arrivals	782,943	843,774	+ 7.8

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## 2. EXTERNAL TRADE

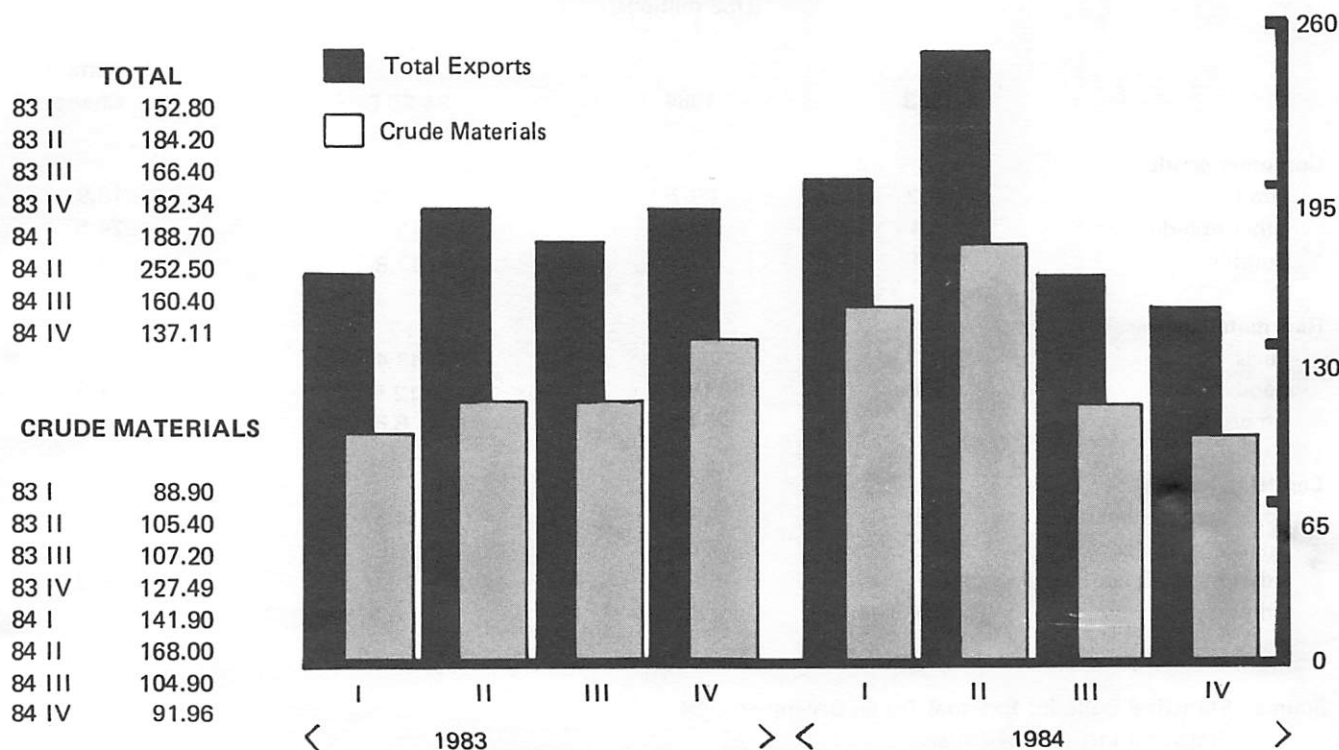
The merchandise trade picture, which seemed so bright in the first half of 1984, turned out to be less and less glorious as the year got older. This was primarily the result of the decline in exports of bauxite and alumina in the last half of 1984, but the comparison with 1983 became worse and worse for another reason as well — the fact that bauxite/alumina production began recovering from the world recession in 1983. The following chart illustrates two things: (a) the rise and fall of bauxite: 1983/84; and (b) the extent to which our total exports are dependent on that mineral (bauxite and alumina constitute 98 percent of crude materials exports).

Nevertheless, there were a few bright spots amid the gloom brought on by the announcement of the closing of Alcoa. Although exports in seven out of ten standard international trade classifications (SITCs) were smaller in 1984 than in 1983, there were increases in "machinery and transport equipment" (category No. 7) and "miscellaneous manufactures" (No. 8). Furthermore, exports to hard currency markets (non-Caricom countries) increased in 1984 in five out of ten categories; and the increase in "mis-

cellaneous manufactures" was 162 percent. This category includes such things as furniture, apparel, footwear, books, picture postcards, plastic articles, ball point pens, jewellery, gramophone records, candles, paint rollers and brushes, wickerwork, and brooms, brushes and mops. The buoyancy in these exports to hard currency markets was quite pronounced throughout the year, with increases (compared to 1983) of 80 percent in the first quarter (January — March), 295 percent in the second, 238 percent in the third, and 104 percent in the fourth.

The improvement in "miscellaneous manufactures" is due partly to the initiation of the Caribbean Basin Initiative (CBI) programme of the United States, with its dutyfree entry into the U.S. market for many commodities, and to the so called "807" programme, which permits entry of apparel designed in the United States and finished abroad, but it is undoubtedly largely explained by the depreciation of the Jamaican dollar. A Jamaican dollar price that returns the manufacturer a profit now translates into a U.S. dollar price that is competitive with products from Far Eastern and Latin American countries.

EXPORTS, 1983 and 1984



**TABLE 1**  
**Merchandise Trade, 1984**  
**(US\$ millions)**

	1983	1984	84-83 Diff.	Percentage Difference
Total exports	685.74	738.71	52.97	7.72
Total imports	1281.11	1188.85	-92.26	- 7.20
Balance	- 595.37	- 450.14	145.23	24.39
Caricom exports	84.60	52.91	-31.69	-37.46
Caricom imports	60.35	35.35	-25.00	-41.43
Balance	24.25	17.56	- 6.69	-27.59
Non-Caricom exports	601.14	685.80	84.66	14.08
Non-Caricom imports	1220.76	1153.50	- 67.26	- 5.51
Balance	- 619.62	- 467.70	151.92	24.52

Source: **Statistical Bulletin: External Trade, December 1984,**  
Statistical Institute of Jamaica

**TABLE 2**  
**Imports by Economic Function**  
**(US\$ millions)**

	1983	1984	84-85 Diff.	Percentage Change
<b>Consumer goods</b>				
Food	104.2	89.7	- 14.5	- 13.9
Other non-durable	56.4	42.6	- 13.8	- 24.5
Durable	40.1	22.3	- 17.8	- 44.4
<b>Raw materials</b>				
Fuels	397.3	353.9	- 43.4	- 10.9
Food	105.6	118.1	12.5	11.8
Other	283.3	274.5	- 8.8	- 3.1
<b>Capital goods</b>				
Construction material	72.3	68.0	- 4.3	- 5.9
Transport equipment	57.3	41.8	- 15.5	- 27.0
Other mach. & equip.	156.7	169.7	13.0	8.3
Other capital	7.9	8.2	0.3	3.2

Source: **Statistical Bulletin: External Trade, December 1984,**  
Statistical Institute of Jamaica



The future for miscellaneous manufactures, therefore, seems bright, but it will be a good while before this category of exports can fill the shoes of the bauxite/alumina industry. Even the poor fourth quarter total for crude materials (US\$91.96 million) is 9¼ times as large as miscellaneous manufactures (US\$9.7 million). Eventually, however, the gap left by the decline in bauxite/alumina must be made up to a very great extent by increases in categories 0 (food products), 1 (beverages and tobacco), 7 (manufactured goods classified chiefly by material), 8 (miscellaneous manufactures), and other items in category 2 (such as cut flowers). A detailed breakdown of exports in 1984 can be found in the Statistical Appendix.

Imports in 1984 were 7.2 percent smaller than in 1983. Coupled with the 7.7 percent increase in exports, this resulted in a considerable reduction in the merchandise trade deficit, from US\$595.4 million

in 1983 to US\$450.1 million in 1984, or an improvement of 24.4 percent. Table 1 shows the broad picture.

Imports classified by economic function showed decreases in all categories except "Raw materials: Food", "Capital goods: other machinery and equipment", and "Other capital goods". The food items include beef, mutton, chicken backs and necks, corned beef, milk powder, butter, cheese, hatching eggs, fish, wheat, rice, flour, and malt. The "other machinery and equipment" category includes generating machinery, agricultural, mining, metal working, industrial, and office machinery and equipment, telecommunications equipment, and scientific and medical instruments. The largest decreases were in consumer goods in general, particularly durable consumer goods, and in fuel imports. Table 2 summarises the import picture.

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# 3. TOURISM

Total visitor arrivals for the entire year 1984 were 7.7 percent above arrivals for 1983. This is somewhat less than 1983's margin of increase over 1982 (8.59 percent). In other words, although the number of tourists arriving in Jamaica in 1984 was larger than in 1983, the rate of growth was smaller.

Total stopover (long stay plus short stay) increased by 6.6 percent, while cruise passenger arrivals were

9.7 percent greater than in 1983, and armed forces visitors also increased in number. Table 3 shows details.

Estimated expenditure by tourists increased from just under US\$400 million in 1983 to US\$438 million in 1984, an increase of 9.7 percent. In addition, our hypothesis of a stronger summer season was borne out in 1984, both in terms of arrivals and expenditures.

**TABLE 3**  
Tourism, 1984

		Number of Visitors			
	1984	Percent Change	1983	Percent Change	1982
Long stay	584,267	5.5	553,979	9.2	507,195
Short stay	19,169	57.5	12,172	7.1	11,367
Total stopovers	603,436	6.6	566,151	9.2	518,562
Cruise passengers	231,039	9.9	210,153	8.1	194,430
Armed forces	9,299	40.1	6,639	-17.1	8,009
Total visitor arrivals	843,774	7.8	782,943	8.6	721,001
Average stay (nights)	9.0		9.2		9.7

Source: Visitor Statistics, December 1984, Ministry of Tourism, and Statistical Digest, February 1983, Bank of Jamaica

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# 4. BALANCE OF PAYMENTS

Figures for all of 1984 for many of the components of the balance of payments are now available, and some of the others can be estimated with a reasonable degree of accuracy. The balance of payments statement is divided into three parts: (1) the Current Account, including imports and exports of merchandise and services, and "unilateral transfers" (foreign aid and remittances from emigrants, mainly); (2) the Capital Account, which includes all transfers of new claims on foreigners or foreigners' claims on us through loans, investment in plant or securities, etc.; and (3) the Reserve Account, which records the transfer of internationally acceptable short-term claims or assets from or to foreigners (holdings of SDRs, foreign currencies, BOJ balances or liabilities with foreign banks, etc.).

To take the Current Account first, the balance on merchandise trade and freight and insurance seems likely to be approximately a negative US\$440 million. Other negative items are net interest and dividend payments, perhaps US\$200 million and "other services", US\$75 million. Partially offsetting these are an estimated net positive balance on travel and tourism of US\$410 million and unilateral transfer inflows of US\$110 million. The result should be a balance on the Current Account of about - US\$195 million.

We know that the net international reserves of the Bank of Jamaica and the central government combined increased US\$224.3 million.\*

By subtraction we can deduce, therefore, that there must have been an inflow of approximately US\$420 million, i.e., a surplus on the Capital Account that will offset the deficit on the Current Account and still give us the over-all balance of payments surplus.

To the extent that this foreign borrowing provides some breathing space in which we can put our house in order and carry out the structural readjustment programme, it is useful. It should never be forgotten, however, that these loans must be repaid, and that interest and amortisation payments on them will add to the burden that the other parts of the balance of payments must bear in the medium-term future. What must happen, sooner or later, is that, instead of having a deficit on Current Account, as we do now, and a surplus on Capital Account, we must develop a surplus on Current Account through increased exports and tourism receipts, so that we can begin to repay old loans to a greater extent than we contract new ones. That is, we must deliberately try to produce a deficit on the Capital Account as soon as we can.

**TABLE 4**  
Balance of Payments, 1982-1984  
(US\$ millions)

	1984	1983	1982
Current Account			
Merchandise:			
Exports	738.7	685.7	767.4
Imports	<u>1046.2</u>	<u>1124.2</u>	<u>1208.9</u>
A. Balance	- 307.5	-438.5	-441.5
Freight & insurance	- 132.5	-136.5	-152.3
Travel & tourism	410.0	374.0	306.1
Investment income	- 200.0	-186.0	-215.3
Other services	<u>- 75.0</u>	<u>- 70.7</u>	<u>- 67.1</u>
B. Balance on services	2.5	- 18.3	- 96.8
C. Unilateral transfers (net)	110.0	101.5	150.4
Balance on current account (A+B+C)	- 195.0	-355.3	-387.9
Capital Account	419.3	76.4	465.6
Reserve Account (Over-all balance)	224.3	-289.2	86.1

Source: **Statistical Digest**, Bank of Jamaica, and **Statistical Bulletin: External Trade**, Statistical Institute of Jamaica.

\*(More properly speaking, it was a reduction of Jamaica's net liabilities to foreigners from US\$808.7 million in December 1983 to US\$584.4 million in December 1984).

# 5. PRICES

The consumer price index rose from 415.3 in December 1983 to 544.7 in December 1984, an increase of 31.2 percent. That is to say, it cost \$54.47 last December to buy the same goods and services that the typical consumer bought in January 1975 for \$10.00. Thus, the inflation rate was greater this year than last. The increase from December 1982 to December 1983 was 16.7 percent.

Although inflation was severe for the year as a whole, the rate of price increase varied significantly from period to period during the year. Table 5 and the following chart show what happened. The consumer price index, represented by the darker bars, did not rise extraordinarily rapidly in the early months of the year, but in the period May through July there was a noticeable acceleration of the rate of price increase; the rate of rise tapered off again in the later months of the year. The lighter bars show what happened to exchange rates in 1984. At first glance,

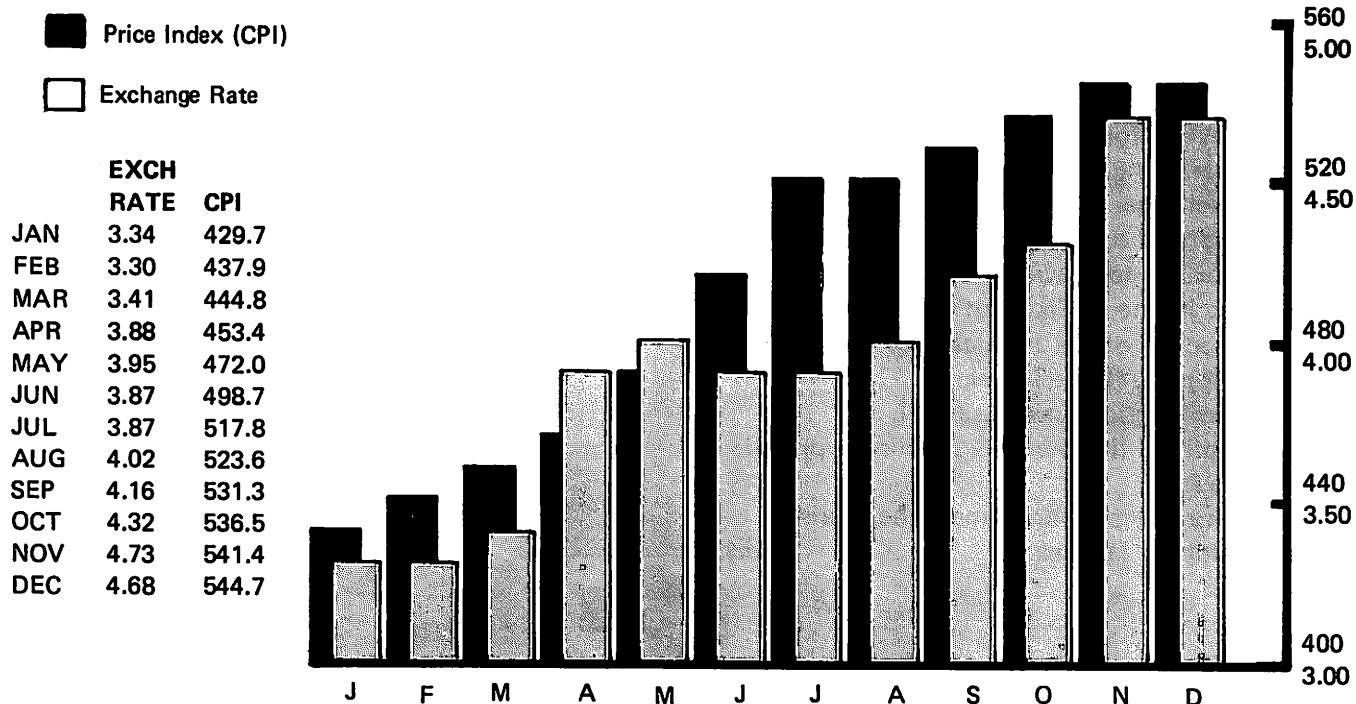
it looks as though there might be a cause and effect at work; the exchange rate (the price of the U.S. dollar in terms of Jamaican dollars) rose rapidly in March, April, and May, followed two months later by accelerated price increases in May, June, and July. Relative exchange stability in June and July was followed by more moderate price increases in August and September. Unfortunately for our tentative theory, the rapid exchange rate depreciation from August through November has not been followed by more rapid price increases. In any case, the casual relation between exchange rates and prices is not simple and straightforward. Inflation produced by expansion of the domestic money supply is very likely to cause exchange rate depreciation because of the increased demand for imports it is likely to generate; but exchange rate depreciation undoubtedly does raise the price of imported goods and services, thus tending to raise all prices.

**TABLE 5**  
Consumer Price Indices, All Jamaica, 1984  
and U.S. Dollar Exchange Rate  
All Items Index (January 1975 = 100)

Month	CPI	Change from previous month	Change from same month last year	Percentage change, year to date	Exchange rate
January	429.7	3.5	19.8	3.5	3.345
February	437.9	1.9	20.8	5.4	3.300
March	444.8	1.6	21.0	7.1	3.411
April	453.4	1.9	22.6	9.2	3.875
May	472.0	4.1	26.0	13.7	3.955
June	498.7	5.7	31.3	20.1	3.874
July	517.8	3.8	33.0	24.7	3.874
August	523.6	1.1	30.9	26.1	4.021
September	531.3	1.5	31.4	27.9	4.158
October	536.5	1.0	31.3	29.2	4.320
November	541.4	1.0	31.8	30.4	4.730
December	544.7	0.6	31.2	31.2	4.684

Source: Statistical Bulletin: Consumer Price Indices, Statistical Institute of Jamaica; Daily Gleaner for exchange rates.

## PRICES AND EXCHANGE RATES, 1984



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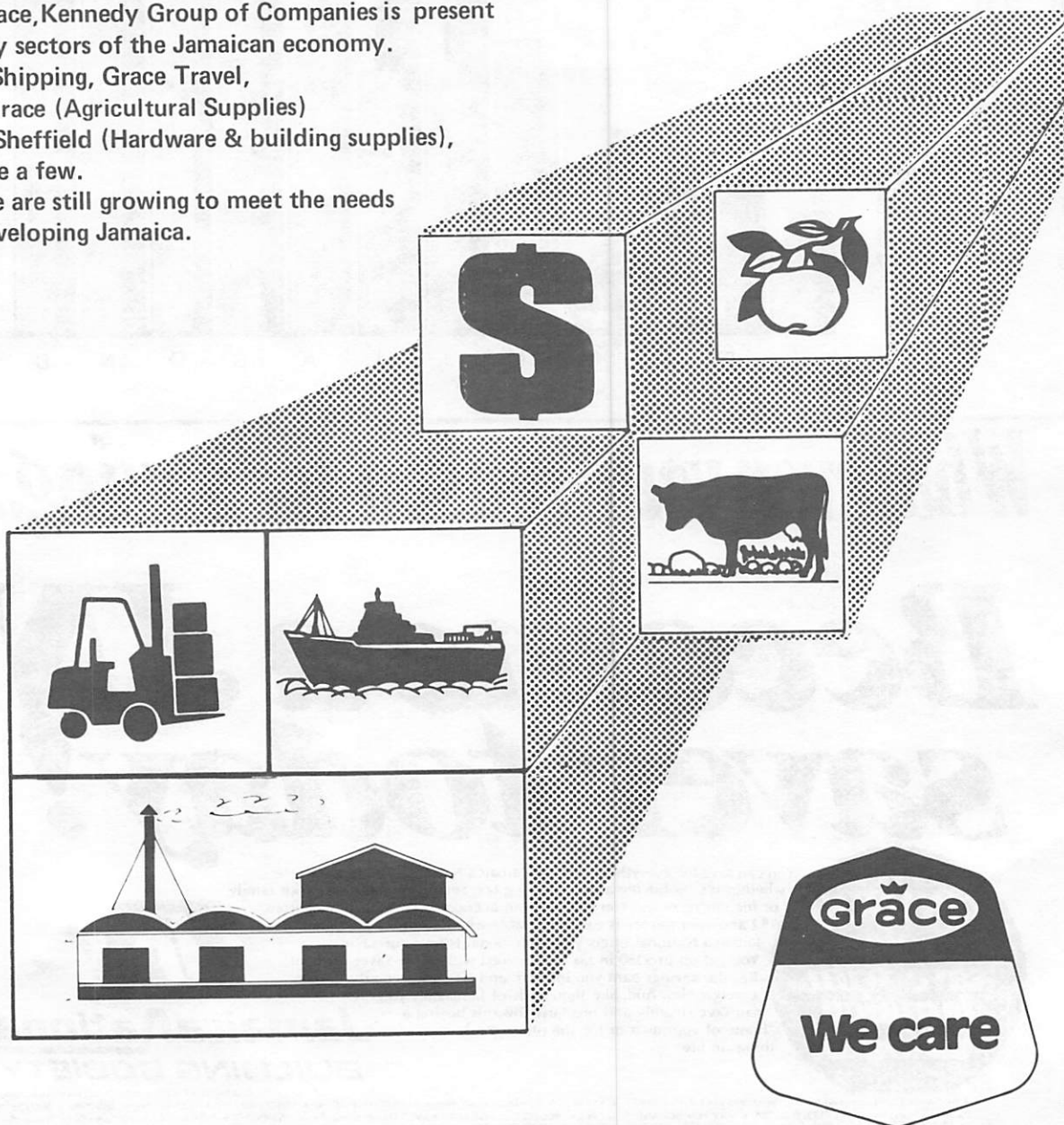
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# 6. MONEY AND CREDIT

Last year was one of the most stringent periods in the history of the application of monetary policy in this country. The liquid assets ratio required of banks was increased from 36 percent in December 1983 to 44 percent in November 1984, where it remained until the recent announcement of further increases in the ratio. The required cash reserve ratio was increased from 7 percent in January 1984 to 16 percent in October 1984, while Bank Rate was increased from 11 percent in January to 16 percent in October. In addition, the banking system was directed not to increase its overall credit by more than 12 percent of 1983 levels.

The monetary policy of 1984 was directed almost entirely at reducing pressures on the exchange rate by reducing the economy's ability to obtain funds with which to bid at the foreign exchange auction. In fact, the country's net official reserve position, expressed in U.S. dollars, did improve (to a smaller negative number); expressed in Jamaican dollars, there was a decrease in net foreign assets because of

the depreciation of the exchange rate. Even so, the decrease was not so great as in 1983 (J\$1,212.6 million in 1984 vs. J\$1,911.0 million in 1983).

Net domestic assets rose by \$365.3 million, a much smaller increase than in 1983 (\$1,425.5 million). The biggest difference between the two years was in credit extended to the government, which was \$1,024.9 million in 1983, and only \$107.8 million in 1984. Less credit was extended to the private sector as well, \$254.5 million in 1984 vs. \$435.2 million in 1983. This small allowance of credit in 1984 resulted in an increase in the money supply, narrowly defined (M1) of only \$128.1 million, compared to an increase of \$155.1 million in 1983. "M1" includes only currency in the hands of the public and demand deposits. When savings deposits and time deposits are included, to define the "broad" concept of money (M2), once again the increase in 1984 (\$496.7 million) was smaller than that of 1983 (\$622.3 million).

**TABLE 6**  
Changes in Money and Credit, 1984  
(Jamaican \$ millions)

<b>Assets</b>	<b>1983</b>	<b>1984</b>	<b>Difference</b>
Net foreign assets	— 1911.0	— 1212.6	698.4
Domestic assets	1425.5	365.3	—1060.2
Net credit to government	1024.9	107.8	— 917.1
Net credit to private sector	435.2	254.5	— 180.7
Net credit to other financial instit'ns	— 34.6	3.0	37.6
<b>Total assets</b>	<b>— 485.5</b>	<b>— 847.3</b>	<b>— 361.8</b>
<b>Liabilities</b>			
Broadly defined money (M2)	622.3	469.7	— 152.6
Narrowly defined money (M1)	155.1	128.1	— 27.0
Currency in the hands of the public	59.6	60.5	0.9
Demand deposits	95.5	67.6	— 27.9
Savings deposits	106.2	182.5	— 76.3
Time deposits	361.0	159.1	— 210.9
Other items	— 1107.8	— 1317.0	— 209.2
<b>Total liabilities</b>	<b>— 485.5</b>	<b>— 847.3</b>	<b>— 361.8</b>

Source: Statistical Digest, Table 3, Bank of Jamaica

## INTEREST RATES

One of the results of the stringent credit policies of 1984 was a 35 percent rise in the average rate of discount on Treasury bills; and other interest rates rose similarly. This movement continued into 1985, reflecting a continuation of the tight money policy of government. Loan rates currently range between 20 and 28 percent. Under new policy guidelines effective April 1, the required minimum rate on savings deposits is to move from 15 percent to 18 percent; the Bank of Jamaica rediscount rate on commercial paper has been raised from 19 percent to 21 percent, although the rate for exporters remains at 18 percent. The required liquid assets ratio of commercial banks has been raised from 44 percent to 48 percent, and the required cash reserve of commercial banks goes from 14 to 15 percent.

At a "pass book" interest rate of 18 percent, and assuming the normal spread of about 7 percentage points maintained by banks between their deposit rates and their lending rates, we would have a minimum loan rate of about 25 percent, ranging upward to perhaps 32 percent. Businesses that currently

have difficulty with their debt service will be forced by the new rates to reduce their levels of operation unless they can obtain equity financing; and equity financing, given the present maximum rates of corporate and personal income taxation, would require a rate of return on assets of 57 percent to equal the 18 percent tax-free return on savings.

The Bank of Jamaica stated, in its announcement of the new measures on 23rd March, that the rise in the interest rate on savings deposits "will provide savers with a rate of return which should encourage savings at the expense of consumption". If personal incomes remained unchanged, this might be so, but the effect of the credit restriction on total output, and therefore on total incomes, is almost certain to be a reduction in output and income. Since saving is universally conceded to be dependent on the level of income, it seems unlikely that there will in fact be any increase in total saving, although there will no doubt be a decrease in total consumption, output, and employment. If this is to be brought about solely for the purpose of defending the exchange rate, it can be justified only if it speeds the process of structural readjustment.

**TABLE 7**  
Interest Rates  
(Percent)

### Loan Rates at Commercial Banks

#### Weighted averages:

Period	Instalment credit	Mortgage credit	Personal credit	Commercial credit	Local Gov't and other public entities	Central Gov't	Overall average rate
Dec. 1983	22.59	14.98	17.66	16.35	15.76	14.25	17.02
Dec. 1984	23.68	18.80	19.96	19.61	20.55	14.23	20.10

#### Unweighted ranges:

Mar. 1985	15-27	15-20	20-28	20-28	19-25	19-25	
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Source: Statistical Digest, Bank of Jamaica; and commercial banks.



# 7. EMPLOYMENT

The total labour force has decreased by 14,000, from 985,400 to 971,400, or by 1.4 percent over the one year period October 1983 to October 1984. The employed labour force has, however, increased slightly over the same period, from 722,700 to 724,700 — an increase of 2,000, or 0.27 percent. It is important to note that in October the figures for both the employed and the unemployed had decreased from the previous October, suggesting that unemployed persons were leaving the labour force, either by not registering as unemployed, or by migration. The unemployment rate stood at 25.4 percent in October, a marginal decrease of 0.2 percentage point compared to the April figures, but a consider-

ably larger 1.3 percent decline from the October 1983 rate.

It is not surprising that mining, quarrying, and refinery employment recorded a decrease of 2,200, or 18.6 percent, April to April, as this is a reflection of the current state of the industry. All other industrial groups recorded declines in October from the April level except manufacturing, construction & installation, and commerce. Over the 12 month period from November 1983, however, agriculture, manufacturing, transportation & communications & public utilities, and other services all recorded positive growth.

**TABLE 8**  
Population and Employment

	April 1984	Percent Change	April 1983	October 1984	Percent Change	October 1983
Total population	2,162,100	2.1	2,117,500	2,165,100	1.5	2,133,100
Labour force	984,800	2.2	963,300	971,400	- 1.4	985,400
Employed labour force —	732,700	2.5	714,500	724,700	0.3	722,700
Unemployed (number)	252,100	1.3	248,800	246,700	- 6.1	262,700
Unemployment rate	25.6	-0.8	25.8	25.4	- 4.9	26.7

**Note:** It should be noted that the total population figures for April and October 1983 are different from our "Late Summer" Bulletin. This is because of an updating of data by the Statistical Institute. Total population in December 1984 was estimated at 2,190,000.

**Source:** Statistical Review, December 1984, Statistical Institute of Jamaica

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# STATISTICAL APPENDIX

**TABLE A1**  
**JAMAICAN EXTERNAL MERCHANDISE TRADE**  
**1984**  
(US\$ millions)

	1983 Jan-Mar	1984 Jan-Mar	84-83 Diff.	Percent Diff.	1983 Apr-Jun	1984 Apr-Jun	84-85 Diff.	Percent Diff.
	1	2	3	4	5	6	7	8
1. Total exports	152.80	188.70	35.90	23.49	184.20	252.50	68.30	37.08
2. Total imports	312.80	282.60	-30.20	-9.65	321.20	279.60	-41.60	-12.95
3. Balance on merchandise trade	-160.00	-93.90	66.10	-41.31	-137.00	-27.10	109.90	-80.22
<b>4. Exports by SITC code:</b>								
5. 0Food	33.90	26.20	-7.70	-22.71	47.60	42.70	-4.90	-10.29
6. 1Beverages & tobacco	6.00	2.40	-3.60	-60.00	6.90	11.10	4.20	60.87
7. 2Crude materials	88.90	141.90	53.00	59.62	105.40	168.00	62.60	59.39
8. 3Mineral fuels	6.20	4.20	-2.00	-32.26	4.40	4.80	0.40	9.09
9. 4Animal & vegetable oils & fats	—	—	—	—	—	—	—	—
10. 5Chemicals	5.50	2.60	-2.90	-52.73	4.10	4.90	0.80	19.51
11. 6Manufactured goods by material	3.20	2.60	-0.60	-18.75	2.90	3.50	0.60	20.69
12. 7Machinery & transport equipment	2.70	1.60	-1.10	-40.74	7.70	5.70	-2.00	-25.97
13. 8Miscellaneous manufactures	6.30	7.40	1.10	17.46	5.10	11.80	6.70	131.37
14. 9Other	—	—	—	—	—	—	—	—
<b>15. Caricom exports by SITC code:</b>								
16. 0Food	2.60	1.30	-1.30	-50.00	2.60	2.20	-0.40	-15.38
17. 1Beverages & tobacco	1.10	0.70	-0.40	-36.36	1.00	1.30	0.30	30.00
18. 2Crude materials	0.10	0.10	—	—	0.20	0.10	-0.10	-50.00
19. 3Mineral fuels	1.20	0.50	-0.70	-58.33	0.20	-0.20	-0.40	-71.43
20. 4Animal & vegetable oils & fats	—	—	—	—	—	—	—	—
21. 5Chemicals	4.70	1.90	-2.80	-59.57	3.30	3.80	0.50	15.15
22. 6Manufactured goods by materials	2.80	2.50	-0.30	-10.71	2.30	3.10	0.80	34.78
23. 7Machinery & transport equipment	1.40	0.30	-1.10	-78.57	1.30	0.50	-0.80	-61.54
24. 8Miscellaneous manufactures	3.80	2.90	-0.90	-23.68	3.00	3.50	0.50	16.67
25. 9Other	—	—	—	—	—	—	—	—
26. Total	17.70	10.20	-7.50	-42.37	14.40	14.70	0.30	2.08
<b>27. Non-Caricom exports by SITC code:</b>								
28. 0Food	31.30	24.90	-6.40	-20.45	45.00	40.50	-4.50	-10.00
29. 1Beverages & tobacco	4.90	1.70	-3.20	-65.31	5.90	9.80	3.90	66.10
30. 2Crude materials	88.80	141.80	53.00	59.00	105.20	167.90	62.70	59.60
31. 3Mineral fuels	5.00	3.70	-1.30	-26.00	3.70	4.60	0.90	24.32
32. 4Animal & vegetable oils & fats	—	—	—	—	—	—	—	—
33. 5Chemicals	0.80	0.70	-0.10	-12.50	0.80	1.10	0.30	37.50
34. 6Manufactured goods by material	0.40	0.10	-0.30	-75.00	0.60	0.40	-0.20	-33.33
35. 7Machinery & transport equipment	1.30	1.30	—	—	6.40	5.20	-1.20	-18.75
36. 8Miscellaneous manufactures	2.50	4.50	2.00	80.00	2.10	8.30	6.20	295.24
37. 9Other	—	—	—	—	—	—	—	—
38. Total	135.00	178.70	43.70	32.37	169.70	237.80	68.10	40.13

# STATISTICAL APPENDIX

TABLE A1  
JAMAICAN EXTERNAL MERCHANDISE TRADE (Cont.)  
1984  
(US\$ millions)

	1983 Jul-Sep	1984 Jul-Sep	84-83 Diff.	Percent Diff.	1983 Sep-Dec	1984 Sep-Dec	84-83 Diff.	Percent Diff.
	9	10	11	12	13	14	15	16
1. Total exports	166.40	160.40	- 6.00	-3.61	182.34	137.11	- 45.23	- 24.81
2. Total imports	313.40	322.50	9.10	2.90	333.71	304.15	- 29.56	- 8.86
3. Balance on merchandise trade	- 147.00	- 162.10	-15.10	10.27	- 151.37	- 167.04	- 15.67	10.35
4. Exports by SITC code:								
5. 0Food	18.80	16.20	- 2.60	- 13.83	15.62	11.72	- 3.90	- 24.97
6. 1Beverages & tobacco	7.50	7.60	0.10	1.33	12.13	6.52	- 5.61	- 46.25
7. 2Crude materials	107.20	104.90	- 2.30	- 2.15	127.49	19.96	- 35.53	- 27.87
8. 3Mineral fuels	9.20	6.70	- 2.50	- 27.17	4.34	3.17	- 1.17	- 26.96
9. 4Animal & vegetable oils & fats	—	—	—	—	0.03	0.02	- 0.01	- 33.33
10. 5Chemicals	6.70	5.40	- 1.30	- 19.40	5.34	5.06	- 0.28	- 5.24
11. 6Manufactured goods by material	5.90	2.60	- 3.30	- 55.93	3.31	2.89	- 0.42	- 12.69
12. 7Machinery & transport equipment	2.00	4.90	2.90	145.00	2.48	2.93	0.45	18.15
13. 8Miscellaneous manufactures	9.10	11.90	2.80	30.77	11.65	12.83	1.18	10.13
14. 9Other	—	—	—	—	0.15	0.01	- 0.14	- 93.33
15. Caricom exports by SITC code:								
16. 0Food	3.20	2.10	- 1.10	- 34.38	3.12	1.68	- 1.44	- 46.15
17. 1Beverages & tobacco	0.80	0.80	—	—	1.73	1.04	- 0.69	- 39.88
18. 2Crude materials	0.30	0.10	- 0.20	- 66.67	0.78	- 0.08	- 0.70	- 89.74
19. 3Mineral fuels	7.60	0.90	- 6.70	- 88.16	0.52	0.79	0.27	51.92
20. 4Animal & vegetable oils & fats	—	—	—	—	0.01	—	- 0.01	- 100.00
21. 5Chemicals	5.80	4.10	- 1.70	- 29.31	4.17	4.03	- 0.14	- 3.36
22. 6Manufactured goods by materials	5.50	2.30	- 3.20	- 58.18	3.08	2.26	- 0.82	- 26.62
23. 7Machinery & transport equipment	1.10	0.60	- 0.50	- 45.45	1.39	1.01	- 0.38	- 27.34
24. 8Miscellaneous manufactures	6.50	3.10	- 3.40	- 52.31	6.90	3.12	- 3.78	- 54.78
25. 9Other	—	—	—	—	—	—	—	—
26. Total	30.80	14.00	- 16.80	- 54.55	21.70	14.01	- 7.69	- 35.44
27. Non-Caricom exports by SITC code:								
28. 0Food	15.60	14.10	- 1.50	- 9.62	12.50	10.04	- 2.46	- 19.68
29. 1Beverages & tobacco	6.70	6.80	0.10	1.49	10.40	5.48	- 4.92	- 47.31
30. 2Crude materials	106.90	104.80	- 2.10	- 1.96	126.71	91.88	- 34.83	- 27.49
31. 3Mineral fuels	1.60	5.80	4.20	262.50	3.82	2.38	- 1.44	- 37.70
32. 4Animal & vegetable oils & fats	—	—	—	—	0.02	0.02	—	—
33. 5Chemicals	0.90	1.30	0.40	44.44	1.17	1.03	- 0.14	- 11.97
34. 6Manufactured goods by material	0.40	0.30	- 0.10	- 25.00	0.23	0.63	0.40	173.91
35. 7Machinery & transport equipment	0.90	4.30	3.40	377.78	1.09	1.92	0.83	76.15
36. 8Miscellaneous manufactures	2.60	8.80	6.20	238.46	4.75	9.71	4.96	104.42
37. 9Other	—	—	—	—	0.15	0.01	- 0.14	- 93.33
38. Total	135.60	146.20	10.60	7.82	160.84	123.10	- 37.74	- 23.46

# STATISTICAL APPENDIX

TABLE A1  
JAMAICAN EXTERNAL MERCHANDISE TRADE (Cont.)

	1984 (US\$ millions)			
	1983 Jan-Dec	1984 Jan-Dec	84-83 Diff.	Percent Diff.
	17	18	19	20
1. Total exports	685.74	738.71	52.97	7.72
2. Total imports	1,281.11	1,188.85	- 92.26	- 7.20
3. Balance on merchandise trade	-595.37	- 450.14	145.23	- 24.39
4. Exports by SITC code:				
5. 0Food	115.92	96.82	- 19.10	- 16.48
6. 1Beverages & tobacco	32.53	27.62	- 4.91	- 15.09
7. 2Crude materials	428.99	506.76	77.77	18.13
8. 3Mineral fuels	24.14	18.87	- 5.27	- 21.83
9. 4Animal & vegetable oils & fats	0.03	0.02	- 0.01	- 33.33
10. 5Chemicals	21.64	17.96	- 3.68	- 17.01
11. 6Manufactured goods by material	15.31	11.59	- 3.72	- 24.30
12. 7Machinery & transport equipment	14.88	15.13	0.25	1.68
13. 8Miscellaneous manufactures	32.15	43.93	11.78	36.64
14. 9Other	0.15	0.01	- 0.01	- 93.33
15. Caricom exports by SITC code:				
16. 0Food	11.52	7.28	- 4.24	- 36.81
17. 1Beverages & tobacco	4.63	3.84	- 0.79	- 17.06
18. 2Crude materials	1.38	0.38	- 1.00	- 72.46
19. 3Mineral fuels	10.02	2.39	- 7.63	- 76.15
20. 4Animals & vegetable oils & fats	0.01	—	- 0.01	- 100.00
21. 5Chemicals	17.97	13.83	- 4.14	- 23.04
22. 6Manufactured goods by material	13.68	10.16	- 3.52	- 25.73
23. 7Machinery & transport equipment	5.19	2.41	- 2.78	- 53.56
24. 8Miscellaneous manufactures	20.20	12.62	- 7.58	- 37.52
25. 9Other	—	—	—	—
26. Total	84.60	52.91	-31.69	- 37.46
27. Non-Caricom exports by SITC code:				
28. 0Food	104.40	89.54	-14.86	- 14.23
29. 1Beverages & tobacco	27.90	23.78	- 4.12	- 14.77
30. 2Crude materials	427.61	506.38	78.77	18.42
31. 3Mineral fuels	14.12	16.48	2.36	16.71
32. 4Animal & vegetable oils & fats	0.02	0.02	—	—
33. 5Chemicals	3.67	4.13	0.46	12.53
34. 6Manufactured goods by material	1.63	1.43	-0.20	- 12.27
35. 7Machinery & transport equipment	9.69	12.72	3.03	31.27
36. 8Miscellaneous manufactures	11.95	31.31	19.36	162.01
37. 9Other	0.15	0.01	- 0.14	- 93.33
38. Total	601.14	685.80	84.66	14.08



# STATISTICAL APPENDIX

**TABLE A2**  
Average Percentage Occupancy of Hotels  
and Other Tourist Accommodation

	1984	1983
Kingston and St. Andrew	49.8	55.9
Montego Bay	61.0	63.1
Ocho Rios	65.8	61.5
Port Antonio	65.8	61.5
Mandeville	35.2	37.8
Negril	35.2	37.8
Whole Island	60.4	58.6

Source: **Visitor Statistics**, December 1984, Ministry of Tourism

**TABLE A3**  
Net International Reserves  
(US\$ millions)

	Foreign assets, BOJ	Foreign lia- bilities, BOJ	Net int'l reserves, BOJ	Net official reserves
31 December 1983	69.6	877.0	- 807.4	- 808.7
31 March 1984	61.1	852.5	- 791.4	- 790.5
30 June 1984	89.6	806.2	- 716.6	- 682.6
30 September 1984	72.3	761.5	- 689.2	- 651.7
31 December 1984	93.6	717.2	- 623.6	- 584.4
Change, Jan-Mar	- 8.5	- 24.5	16.0	18.2
Change, Apr-Jun	28.5	- 46.3	- 74.8	107.9
Change, Jul-Sep	- 17.3	- 44.7	27.4	30.9
Change, Oct-Dec	21.3	- 44.3	65.6	67.3
Change, Jan-Dec	24.0	-159.8	183.8	224.3

Source: **Statistical Digest**, December 1984, Bank of Jamaica

# STATISTICAL APPENDIX

**TABLE A4**  
Consumer Price Indices, All Jamaica  
(January 1975 = 100)

	Dec. 1984	Percent Change	Dec. 1983	Percent Change	Dec. 1982
All groups	544.7	31.2	415.3	16.7	356.0
Food and drink	585.6	31.6	445.1	17.3	379.5
Fuels and H.H. expenses	674.4	29.8	519.7	21.7	427.1
Housing	400.1	47.0	272.1	7.4	253.3
H.H. furnishings & furniture	662.6	30.3	508.7	17.1	434.3
Personal clothing & access.	446.8	16.1	384.7	14.0	337.4
Personal expenses	551.7	29.9	424.6	22.5	346.7
Transportation	460.3	20.0	383.5	18.8	322.7
Miscellaneous	447.9	42.8	313.6	9.5	286.3
<b>Annual Averages:</b>					
All groups	494.3	27.8	386.7	11.3	347.4

Source: **Consumer Price Indices**, December 1984 and 1983 Annual Review,  
Statistical Institute of Jamaica

**TABLE A5**  
Quarterly Changes in Money and Credit, 1984  
(Jamaican \$ millions)

	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
<b>Assets</b>				
Net foreign assets	115.7	- 986.3	- 222.3	- 119.7
Domestic assets: Net credit extended:				
to government	553.9	- 48.0	130.5	- 271.1
to private sector	142.5	- 13.8	39.1	59.1
to other financial inst'ns	10.5	17.4	- 46.8	21.9
<b>Total assets</b>	669.6	- 1034.3	- 91.8	- 390.8
<b>Liabilities</b>				
Broadly defined money (M2)	95.8	54.8	134.7	290.0
Narrowly defined money (M1)	- 69.4	4.1	25.1	168.3
Currency in public hands	- 32.6	4.7	- 1.9	90.3
Demand deposits	- 36.8	- 0.6	27.0	78.0
Savings deposits	65.9	38.7	7.1	70.8
Time deposits	99.3	- 97.6	102.5	54.9
Other items	573.8	- 979.5	- 226.5	- 684.8
<b>Total liabilities</b>	669.6	- 1034.3	- 91.8	- 390.8

Source: **Statistical Digest**, Bank of Jamaica



# STATISTICAL APPENDIX

**TABLE A6**  
Interest Rates  
International Comparisons  
(percent per annum)

	Jamaica		United Kingdom	United States	
	Treas.	Bank	Treas.	Treas.	Bank
	Bills	Rate	Bills	Bills	Rate
January	11.93	13.0	8.87	8.93	8.50
February	12.84	13.0	8.85	9.03	8.50
March	13.09	13.0	8.43	9.44	8.50
April	12.80	13.0	8.38	9.69	9.00
May	12.11	13.0	8.82	9.90	9.00
June	11.32	13.0	8.86	9.94	9.00
July	12.65	13.0	10.97	10.13	9.00
August	13.73	14.0	10.21	10.49	9.00
September	13.44	14.0	10.02	10.41	9.00
October	14.73	16.0	9.85	9.97	9.00
November	14.49	16.0	9.23	8.79	8.50
December	16.40	16.0	9.10	9.58	8.00
Mar. 25, 1985	20.69*	17.0		8.36*	8.00**

\* Average discount rate

\*\* March 1, 1985. Prime loan rate is 10.50

Source: Bank of Jamaica and various periodicals

**TABLE A7**  
The Employed Labour Force by Industry Group

	April 1984	Percent Change	April 1983	October 1984	Percent Change	October 1983
Agric., forestry, fishing	250,400	- 3.4	259,200	245,200	0.7	243,200
Mining, Quarrying,	7,900	- 18.6	9,700	7,500	- 2.6	7,700
Manufacturing	113,400	6.1	106,900	116,200	1.0	115,100
Construction & installation	43,700	- 0.7	44,000	44,700	- 4.5	46,800
Transport, comm., & pub. ut.	41,700	7.2	38,900	39,600	5.6	37,500
Commerce	118,400	- 1.1	119,700	119,700	- 3.9	124,500
Public administration	115,500	- 5.5	122,200	111,600	- 8.2	121,600
Other services	187,100	17.3	159,500	177,400	2.1	173,800
Industry not specified	2,700	- 66.7	8,100	4,800	- 30.4	6,900
Total classifiable	880,800	1.5	868,200	866,500	- 1.2	877,100
No previous industry	104,000	9.4	95,100	104,900	- 3.1	108,300
Total labour force	984,800	2.2	963,300	971,400	- 1.4	985,400
Total unemployed	252,100	1.3	248,800	246,700	- 6.1	262,700

Source: Statistical Review, December 1984, Statistical Institute of Jamaica

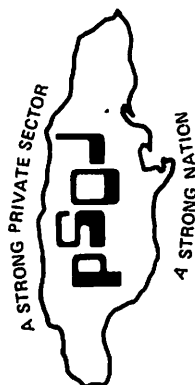
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